

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

Debtors: Delphi Corporation, et al. ⁽¹⁾
Case Number: Jointly Administered 05-44481 (RDD)

Monthly Operating Report for the Month Ended:
December 31, 2005

Debtors' Address:
5725 Delphi Drive
Troy, Michigan 48098

Monthly Operating Loss: \$616 million

Debtors' Attorneys:

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Report Preparer:

The undersigned, having reviewed the attached report and being familiar with the Debtors' financial affairs, verifies under the penalty of perjury that the information contained therein is complete, accurate and truthful to the best of my knowledge. ⁽²⁾

Date: January 31, 2006

/s/ JOHN D. SHEEHAN

John D. Sheehan
Vice President and Chief Restructuring Officer, Chief Accounting Officer
and Controller

(1) See next page for a listing of Debtors by case number.

(2) All amounts herein are unaudited and subject to revision. The Debtors reserve all rights to revise this report.

DELPHI CORPORATION, ET AL.
MONTHLY OPERATING REPORT

(1) The Debtors in these jointly administered cases are as follows:

| Debtor Name | Case Number |
|---|--------------------|
| Delphi NY Holdings Corporation | 05-44480 |
| Delphi Corporation | 05-44481 |
| ASEC Manufacturing General Partnership | 05-44482 |
| ASEC Sales General Partnership | 05-44484 |
| Environmental Catalysts, LLC | 05-44503 |
| Delphi Medical Systems Colorado Corporation | 05-44507 |
| Delphi Medical Systems Texas Corporation | 05-44511 |
| Delphi Medical Systems Corporation | 05-44529 |
| Specialty Electronics International Ltd. | 05-44536 |
| Specialty Electronics, Inc. | 05-44539 |
| Delphi Liquidation Holding Company | 05-44542 |
| Delphi Electronics (Holding) LLC | 05-44547 |
| Delphi Technologies, Inc. | 05-44554 |
| Delphi Automotive Systems Tennessee, Inc. | 05-44558 |
| Delphi Mechatronic Systems, Inc. | 05-44567 |
| Delphi Automotive Systems Risk Management Corporation | 05-44570 |
| Exhaust Systems Corporation | 05-44573 |
| Delphi China LLC | 05-44577 |
| Delphi Automotive Systems Korea, Inc. | 05-44580 |
| Delphi International Services, Inc. | 05-44583 |
| Delphi Automotive Systems Thailand, Inc. | 05-44586 |
| Delphi Automotive Systems International, Inc. | 05-44589 |
| Delphi International Holdings Corporation | 05-44591 |
| Delphi Automotive Systems Overseas Corporation | 05-44593 |
| Delphi Automotive Systems (Holding), Inc. | 05-44596 |
| Delco Electronics Overseas Corporation | 05-44610 |
| Delphi Diesel Systems Corporation | 05-44612 |
| Delphi LLC | 05-44615 |
| Aspire, Inc. | 05-44618 |
| Delphi Integrated Service Solutions, Inc. | 05-44623 |
| Delphi Connection Systems | 05-44624 |
| Packard Hughes Interconnect Company | 05-44626 |
| DREAL, Inc. | 05-44627 |
| Delphi Automotive Systems Services LLC | 05-44632 |
| Delphi Services Holding Corporation | 05-44633 |
| Delphi Automotive Systems Global (Holding), Inc. | 05-44636 |
| Delphi Foreign Sales Corporation | 05-44638 |
| Delphi Automotive Systems Human Resources LLC | 05-44639 |
| Delphi Automotive Systems LLC | 05-44640 |
| Delphi Furukawa Wiring Systems LLC | 05-47452 |
| Delphi Receivables LLC | 05-47459 |
| MobileAria, Inc. | 05-47474 |

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DELPHI CORPORATION, ET AL.
MONTHLY OPERATING REPORT
CONDENSED CONSOLIDATED DEBTORS-IN-POSSESSION STATEMENT OF OPERATIONS
(Non-filed entities, principally non-U.S. subsidiaries, excluded from consolidated Debtor group)

| | Month Ended December 31, 2005 (in millions) |
|---|--|
| Net sales: | |
| General Motors and affiliates | \$ 805 |
| Other customers..... | 541 |
| Intercompany non-Debtor subsidiaries..... | 40 |
| Total net sales | <u>1,386</u> |
| Operating expenses: | |
| Cost of sales, excluding items listed below | 1,364 |
| Selling, general and administrative | 106 |
| Depreciation and amortization | 53 |
| Goodwill and long-lived asset impairment charges..... | 479 |
| Total operating expenses | <u>2,002</u> |
| Operating loss | (616) |
| Interest expense (contractual interest expense was \$45) | (31) |
| Other income (expense), net..... | <u>(1)</u> |
| Loss before reorganization items, income taxes, and equity income | (648) |
| Reorganization items..... | 11 |
| Income tax expense | - |
| Equity income from non-consolidated subsidiaries, net of tax..... | 8 |
| Equity loss from non-Debtor subsidiaries, net of tax | <u>(497)</u> |
| Net loss | <u>\$ (1,126)</u> |

The accompanying notes are an integral part of the financial statements.

DELPHI CORPORATION, ET AL.
MONTHLY OPERATING REPORT
CONDENSED CONSOLIDATED DEBTORS-IN-POSSESSION BALANCE SHEET
(Non-filed entities, principally non-U.S. subsidiaries, excluded from consolidated Debtor group)

| | <u>December 31, 2005</u> (in millions) |
|---|---|
| ASSETS | |
| Current assets: | |
| Cash and cash equivalents..... | \$ 1,362 |
| Accounts receivable, net: | |
| General Motors and affiliates..... | 1,660 |
| Other third parties | 1,657 |
| Non-Debtor subsidiaries | 289 |
| Notes receivable from non-Debtor subsidiaries | 352 |
| Inventories, net: | |
| Productive material, work-in-process and supplies..... | 811 |
| Finished goods | 292 |
| Prepaid expenses and other | 145 |
| Total current assets | <u>6,568</u> |
| Long-term assets: | |
| Property, net..... | 2,614 |
| Goodwill | 40 |
| Other intangible assets | 42 |
| Pension intangible assets..... | 871 |
| Investments in non-Debtor subsidiaries | 2,962 |
| Other | 712 |
| Total assets..... | <u>\$ 13,809</u> |
| LIABILITIES AND STOCKHOLDERS' DEFICIT | |
| Current liabilities not subject to compromise: | |
| Accounts payable | 1,031 |
| Accounts payable to non-Debtor subsidiaries..... | 480 |
| Accrued liabilities | 441 |
| Total current liabilities | <u>1,952</u> |
| Long-term liabilities not subject to compromise: | |
| Debtor-in-possession financing..... | 250 |
| Employee benefit plan obligations and other..... | 518 |
| Total long-term liabilities | <u>768</u> |
| Liabilities subject to compromise | <u>17,408</u> |
| Total liabilities | <u>20,128</u> |
| Stockholders' deficit: | |
| Common stock, \$0.01 par value, 1,350 million shares authorized, 565 million shares issued..... | 6 |
| Additional paid-in capital..... | 2,675 |
| Accumulated deficit | (6,722) |
| Minimum pension liability | (2,051) |
| Accumulated other comprehensive loss, excluding minimum pension liability | (175) |
| Treasury stock, at cost (3.2 million shares)..... | (52) |
| Total stockholders' deficit | <u>(6,319)</u> |
| Total liabilities and stockholders' deficit..... | <u>\$ 13,809</u> |

The accompanying notes are an integral part of the financial statements.

DELPHI CORPORATION, ET AL.
MONTHLY OPERATING REPORT
CONDENSED CONSOLIDATED DEBTORS-IN-POSSESSION STATEMENT OF CASH FLOWS
(Non-filed entities, principally non-U.S. subsidiaries, excluded from consolidated Debtor group)

| | Month Ended December 31, 2005 (in millions) |
|---|--|
| Cash flows from operating activities: | |
| Net loss | \$ (1,126) |
| Adjustments to reconcile net loss to net cash provided by operating activities: | |
| Depreciation and amortization | 53 |
| Goodwill and long-lived asset impairment charges | 479 |
| Pension and other postretirement benefit expenses | 117 |
| Equity income from unconsolidated subsidiaries, net of tax | (8) |
| Equity loss from non-Debtor subsidiaries, net of tax | 497 |
| Reorganization items | (11) |
| Changes in operating assets and liabilities: | |
| Accounts receivable, net | 373 |
| Inventories, net | 8 |
| Prepaid expenses and other | (27) |
| Accounts payable, accrued and other long-term liabilities | 92 |
| Other postretirement benefit payments | (16) |
| Receipts (payments) for reorganization items, net | 8 |
| Other | (14) |
| Net cash provided by operating activities | <u>425</u> |
| Cash flows from investing activities: | |
| Capital expenditures | (43) |
| Proceeds from sale of property | 1 |
| Net cash used in investing activities | <u>(42)</u> |
| Cash flows from financing activities: | |
| Proceeds from prepetition secured revolving credit facility, net | 1 |
| Proceeds advanced under cash overdraft | 22 |
| Net cash provided by financing activities | <u>23</u> |
| Increase in cash and cash equivalents | 406 |
| Cash and cash equivalents at beginning of period | 956 |
| Cash and cash equivalents at end of period | <u>\$ 1,362</u> |

The accompanying notes are an integral part of the financial statements.

DELPHI CORPORATION, ET AL.
NOTES TO MONTHLY OPERATING REPORT

1. Background and Organization

General – Delphi Corporation (“Delphi” or the “Company”) is a world-leading supplier of vehicle electronics, transportation components, integrated systems and modules and other electronic technology.

Chapter 11 Reorganization Cases – On October 8, 2005, Delphi and certain of its United States (“U.S.”) subsidiaries (the “Initial Filers”) filed voluntary petitions for relief under chapter 11 of the United States Bankruptcy Code (the “Bankruptcy Code”), in the United States Bankruptcy Court for the Southern District of New York (the “Court”), and on October 14, 2005, three additional U.S. subsidiaries of Delphi (collectively with the Initial Filers, the “Debtors”) filed voluntary petitions for relief under the Bankruptcy Code (the Debtors’ October 8, 2005 and October 14, 2005 filings are referred to herein collectively as the “Chapter 11 Filings”). See the second page of this report for a listing of the Debtors and case number information. The Debtors will continue to operate their businesses as “debtors-in-possession” under the jurisdiction of the Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Court. Delphi’s non-U.S. subsidiaries were not included in the filings and will continue their business operations without supervision from the U.S. Courts. On October 17, 2005 the Office of the United States Trustee for the Southern District of New York appointed a statutory committee of unsecured creditors.

2. Basis of Presentation

Condensed Consolidated Debtor-in-Possession Financial Statements – The financial statements and supplemental information contained herein are unaudited, preliminary and may not comply with generally accepted accounting principles in the United States of America (“U.S. GAAP”) in all material respects. In addition, the financial statements and supplemental information contained herein represent the condensed consolidated financial information for the Debtors only. Delphi’s non-Debtor subsidiaries are treated as non-consolidated subsidiaries in the attached financial statements and as such their net loss is included as “Equity loss from non-Debtor subsidiaries, net of tax” in the statement of operations and their net assets are included as “Investments in non-Debtor subsidiaries” in the balance sheet.

American Institute of Certified Public Accountants Statement of Position 90-7, “Financial Reporting by Entities in Reorganization under the Bankruptcy Code” (“SOP 90-7”), which is applicable to companies in chapter 11, generally does not change the manner in which financial statements are prepared. It does, however, require that the financial statements for periods subsequent to the filing of the chapter 11 petition distinguish transactions and events that are directly associated with the reorganization from the ongoing operations of the business. The Debtors’ financial statements contained herein have been prepared in accordance with the guidance in SOP 90-7.

The unaudited consolidated financial statements have been derived from the books and records of the Debtors. This information, however, has not been subject to audit procedures that would typically be applied to year-end financial information presented in accordance with U.S. GAAP, and upon the application of such procedures, the Debtors believe that the financial information could be subject to changes, and these changes could be material. The information furnished in this report includes primarily normal recurring adjustments. As of December 31, 2005, certain prepaid balances and pre- and postpetition trade accounts payable balances are subject to further review and reclassification. In addition, certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. Therefore, this report should be read in conjunction with our consolidated financial statements and notes thereto included in our 2004 Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for the period ended September 30, 2005 filed with the United States Securities and Exchange Commission.

The results of operations contained herein are not necessarily indicative of results which may be expected from any other period or for the full year and may not necessarily reflect the consolidated results of operations, financial position and cash flows of the Debtors in the future.

Intercompany Transactions – Intercompany transactions between Debtors have been eliminated in the financial statements contained herein. Intercompany transactions with the Debtors’ non-Debtor subsidiaries have not been eliminated in the financial statements and are reflected as intercompany receivables, loans and payables.

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General Motors and Affiliates – Includes activity with General Motors Corporation (“GM”) and its consolidated subsidiaries. Activity with GM’s non-consolidated subsidiaries (such as GM Shanghai) and activity with other Tier 1 suppliers who sell directly to GM is classified as other (non-GM) customer activity.

Property – Includes property, plant and equipment and is recorded at cost net of accumulated depreciation.

Goodwill and Long-lived Asset Impairment Charges – Includes approximately \$252 million of goodwill and \$217 million of long-lived asset impairment charges, in addition to approximately \$10 million of impairment charges for spare parts for certain impaired long-lived assets. These are not cash charges; therefore, these impairment charges will not result in future cash expenditures. In accordance with Statement of Financial Accounting Standards (“SFAS”) No. 142, “Goodwill and Other Intangible Assets” (“SFAS No. 142”), Delphi reviews the recoverability of goodwill at least annually and any time business conditions indicate a potential change in recoverability. Similarly, in accordance with SFAS No. 144, “Accounting for the Impairment or Disposal of Long-Lived Assets” (“SFAS No. 144”), Delphi evaluates the recoverability of certain long-lived assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

As previously disclosed, Delphi has experienced deteriorated financial performance resulting in substantial net losses in 2005. Delphi believes that several significant issues have largely contributed to the deterioration of Delphi’s financial performance: (a) a competitive U.S. vehicle production environment for domestic original equipment manufacturers resulting in the reduced number of motor vehicles that GM, our largest customer, produces annually in the U.S. and related pricing pressures; (b) increasing commodity prices; (c) U.S. labor legacy liabilities and noncompetitive wage and benefit levels; and (d) restrictive collectively bargained labor agreement provisions which inhibit Delphi’s responsiveness to market conditions, including exiting non-strategic, non-profitable operations. As a result, Delphi has lowered expectations for future performance absent the ability to complete a transformation plan through its reorganization under chapter 11 of the U.S. Bankruptcy Code.

The deterioration of Delphi’s U.S. financial performance as discussed above, combined with an unfavorable outlook absent completion of a successful U.S. reorganization, was an indicator for potential impairment. Additionally, reduced profitability at certain sites and product lines in Western Europe resulting from flattening revenue together with higher commodity costs was also considered. This led management to test the recoverability of its long-lived assets and goodwill against a business outlook which assumed no changes in the current operating environment, including no changes to the Company’s overall cost structure or compromise of any of its legacy liabilities. As Delphi’s bankruptcy case proceeds and its reorganization plan is further developed, Delphi may determine that additional impairment charges should be recognized.

Management determined the goodwill impairment charges by comparing the carrying value of each of its reporting units to the fair value of the reporting unit as determined using a discounted cash flows analysis. In accordance with SFAS No. 142, where the carrying value exceeded the discounted cash flow for a particular reporting unit, goodwill impairment charges were recognized. The goodwill impairment charges recognized were determined by stating all other assets and liabilities of a reporting unit at their fair values with the remaining fair value of the reporting unit attributed to goodwill. The resulting goodwill impairment charges are the excess of the recorded goodwill balance over the calculated fair value of goodwill for the reporting unit. Delphi’s reporting units for purposes of SFAS No. 142 are global businesses focused on product families. The fair value of the reporting units was negatively impacted by the continued deterioration of business conditions, principally in the U.S., as described above. As a result of the goodwill impairment analysis, two of Delphi’s global reporting units recorded goodwill impairments.

Management determined the asset impairment charges by comparing the estimated future cash flows against carrying values of assets. Specifically, Delphi tested certain long-lived assets, primarily property, plant and equipment, for impairment at each plant site that had operating losses during 2005 and/or an expectation of future losses over the remaining asset life. In accordance with SFAS No. 144, where the carrying value of an asset exceeds the future cash flows at that site, asset impairment charges are being recognized for the amount that the carrying value exceeds fair value, which primarily is determined using discounted future cash flows.

Contractual Interest Expense – Contractual interest expense represents amounts due under the contractual terms of outstanding debt during the month, including debt subject to compromise for which interest expense is not recognized in the income statement in accordance with the provisions of SOP 90-7.

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Taxes – Delphi accounts for income taxes in accordance with SFAS No. 109, “Accounting for Income Taxes” and recognizes current and deferred income tax assets and liabilities based upon all events that have been recognized in the consolidated financial statements as measured by the enacted tax laws. Due to the Company’s history of U.S. losses over the past years, combined with the deterioration in its current U.S. operating outlook, during the fourth quarter of 2004, Delphi established a 100% valuation allowance against its U.S. deferred tax assets. As a result, Delphi discontinued recognizing income tax benefits for net operating losses incurred during 2005 and continues to record a 100% valuation allowance against all U.S. deferred tax assets.

The Debtors’ have received authorization but not direction to pay sales, use, trust fund and certain other taxes in the normal course. As such, the Debtors have paid the applicable taxes when due. See the schedules of payroll and other taxes paid for additional information regarding taxes paid.

3. Equity Loss from Non-Debtor Subsidiaries, Net of Tax

During the month of December, the Debtors’ non-Debtor subsidiaries recorded losses, net of tax, of \$497 million, including pre-tax goodwill and long-lived asset impairment charges of approximately \$323 million and \$127 million, respectively. These are not cash charges; therefore, these impairment charges will not result in future cash expenditures. The goodwill charges resulted from the impairment analyses described above in Note 2, “Basis of Presentation, Depreciation and Amortization,” and relate to amounts originally recorded on the books of non-Debtor subsidiaries. The asset impairment charges, which were calculated on the same basis as described in Note 2, “Basis of Presentation, Depreciation and Amortization,” relate to certain non-Debtor manufacturing facilities, principally in Western Europe. Excluding goodwill and asset impairment charges, the pre-tax non-Debtor equity loss for the month of December would have been approximately \$28 million. The non-Debtor subsidiaries generally experience reduced profitability in the month of December due to the shut-down of a significant portion of customers’ manufacturing facilities, principally in Europe, at the end of the year.

4. Debtor-in-Possession (“DIP”) Financing

On October 14, 2005, Delphi entered into a Revolving Credit, Term Loan and Guaranty Agreement (the “DIP Credit Facility”) to borrow up to \$2.0 billion from a syndicate of lenders. The DIP Credit Facility consists of a \$1,750 million revolving facility and a \$250 million term loan facility (collectively, the “DIP Loans”). The DIP Credit Facility contains various representations, warranties and covenants by the Debtors that are customary for transactions of this nature, including (without limitation) reporting requirements and maintenance of financial covenants.

On October 27, 2005, Delphi entered into the First Amendment to the DIP Credit Facility (the “First Amendment”). Under the terms of the First Amendment the Company has agreed, among other things, to mandatory prepayments from Asset Sales and Recovery Events (each as defined in the First Amendment). The First Amendment also modified the terms of the Borrowing Base (as defined in the DIP Credit Facility) computation, which limits the amount outstanding under the DIP Loans at any one time.

On October 28, 2005, the Court granted, on a final basis, the Debtors’ motion for approval of the DIP financing order. The DIP financing order granted final approval of the DIP Credit Facility, as amended, and final approval of an adequate protection package for certain prepetition facilities. Following approval of the final DIP financing order, the Debtors have access to \$2 billion in DIP financing subject to the terms and conditions set forth in the DIP financing documents, as amended, and \$2.5 billion under certain prepetition facilities, for a total financing of \$4.5 billion.

On November 21, 2005, Delphi entered into an Amended and Restated Revolving Credit, Term Loan and Guaranty Agreement (the “Amended DIP Credit Facility”) which, among other things, adds new lenders to the DIP Credit Facility, increases the interest rate that was provided under the DIP Credit Facility and alters the provisions regarding future amendments. The Amended DIP Credit Facility carries an interest rate at the option of Delphi of either (i) the Administrative Agent’s Alternate Base Rate (as defined in the Amended DIP Credit Facility) plus 1.75% or (ii) 2.75% above the Eurodollar base rate, which is the London Interbank Borrowing Rate (“LIBOR”). The LIBOR interest rate period can be set at a one, three or six-month period as selected by Delphi in accordance with the terms of the Amended DIP Credit Facility. Accordingly, the interest rate will fluctuate based on the movement

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of the Alternate Base Rate or LIBOR through the term of the DIP Loans. The Amended DIP Credit Facility will expire on the earlier of October 8, 2007 and the date of substantial consummation of a Reorganization Plan that is confirmed pursuant to an order of the Court. Borrowings under the Amended DIP Credit Facility are prepayable at Delphi's option without premium or penalty.

Also on November 21, 2005, the \$250 million term loan was funded and the Company elected to pay interest at LIBOR plus 2.75% for a six month period. As of December 31, 2005, there were no amounts outstanding under the DIP revolving facility. However, the Company had approximately \$7 million in letters of credit outstanding against the DIP revolving facility.

5. Reorganization Items

SOP 90-7 requires reorganization items such as realized gains and losses from the settlement of prepetition liabilities, provisions for losses resulting from the reorganization and restructuring of the business, as well as professional fees directly related to the process of reorganizing the Debtors under chapter 11 to be separately disclosed. The Debtors' reorganization items consist of the following:

| | Month Ended December 31, 2005 (in millions) | |
|--|--|-----------|
| Professional fees directly related to reorganization | \$ | (8) |
| Interest income | | 9 |
| Gain on settlement of prepetition liabilities | | 10 |
| Total Reorganization Items | <u>\$</u> | <u>11</u> |

Professional fees directly related to the reorganization ("Professional Fees") include fees associated with advisors to the Debtors, unsecured creditors and secured creditors. Professional fees for the month ended December 31, 2005 were estimated by the Debtors and will be reconciled to actual invoices when received.

6. Liabilities Subject to Compromise

As a result of the Chapter 11 Filings, the payment of prepetition indebtedness is subject to compromise or other treatment under a plan of reorganization. Generally, actions to enforce or otherwise effect payment of pre-chapter 11 liabilities are stayed. Although prepetition claims are generally stayed, at hearings held in mid October 2005 and November 2005, the Court granted final approval of the Debtors' "first day" motions generally designed to stabilize the Debtors' operations and covering, among other things, human capital obligations, supplier relations, customer relations, business operations, tax matters, cash management, utilities, case management and retention of professionals.

The Debtors have been paying and intend to continue to pay undisputed postpetition claims in the ordinary course of business. In addition, the Debtors may reject prepetition executory contracts and unexpired leases with respect to the Debtors' operations, with the approval of the Bankruptcy Court. Any damages resulting from rejection of executory contracts and unexpired leases are treated as general unsecured claims and will be classified as liabilities subject to compromise. The Debtors will notify all known claimants subject to the bar date of their need to file a proof of claim with the Court. A bar date is the date by which claims against the Debtors must be filed if the claimants wish to receive any distribution in the chapter 11 cases. No bar date has yet been set by the Court. Differences between liability amounts estimated by the Debtors and claims filed by creditors will be investigated and, if necessary, the Court will make a final determination of the allowable claim. The determination of how liabilities will ultimately be settled and treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time.

SOP 90-7 requires prepetition liabilities that are subject to compromise to be reported at the amounts expected to be allowed, even if they may be settled for lesser amounts. The amounts currently classified as liabilities subject to compromise may be subject to future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, or other events.

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NOTES TO MONTHLY OPERATING REPORT

Liabilities subject to compromise consist of the following:

| | <u>December 31, 2005</u> |
|---|--------------------------|
| | <u>(in millions)</u> |
| Pension obligations ⁽³⁾ | \$ 3,341 |
| Postretirement obligations other than pensions ⁽³⁾ | 7,336 |
| Debt and notes payable | 2,430 |
| Secured debt | 2,489 |
| Other | 1,812 |
| Total Liabilities Subject to Compromise | <u>\$ 17,408</u> |

(3) Due to the complex nature of the calculation of these liabilities, a small portion of the balances represent amounts potentially considered to be administrative claims.

Other liabilities subject to compromise includes trade accounts payable related to prepetition purchases.

7. Postpetition Accounts Payable

To the best of the Debtors' knowledge, all undisputed postpetition accounts payable have been and are being paid under agreed-upon payment terms.

DELPHI CORPORATION, ET AL.
SCHEDULE OF PAYROLL AND PAYROLL TAXES WITHHELD AND INCURRED
MONTH ENDED DECEMBER 31, 2005

| Gross Wages Paid | | Employee Payroll Taxes Withheld | | Employer Payroll Taxes Owed | |
|-------------------------|-------------|--|------------|------------------------------------|------------|
| \$ | 363,321,113 | \$ | 94,408,040 | \$ | 21,849,767 |

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SCHEDULE OF PAYROLL TAXES PAID
MONTH ENDED DECEMBER 31, 2005

| Payee | Payroll Taxes Paid |
|-----------------------------|---------------------------|
| Internal Revenue Service | \$ 77,434,174 |
| Inland Revenue Service (UK) | 516,874 |
| State of Alabama | 674,420 |
| City of Gadsden, AL | 12,946 |
| State of Arizona | 545 |
| State of California | 88,477 |
| State of Colorado | 27,239 |
| City of Denver, CO | 690 |
| State of Connecticut | 912 |
| State of Georgia | 110,682 |
| State of Illinois | 26,746 |
| State of Indiana | 1,662,679 |
| State of Kansas | 14,334 |
| State of Kentucky | 2,379 |
| State of Louisiana | 403 |
| State of Maryland | 738 |
| State of Michigan | 2,782,398 |
| City of Detroit, MI | 4,044 |
| City of Flint, MI | 140,417 |
| City of Grand Rapids, MI | 11,642 |
| City of Pontiac, MI | 654 |
| City of Saginaw, MI | 119,347 |
| City of Walker, MI | 3,563 |
| State of Minnesota | 675 |
| State of Missouri | 4,145 |
| State of Mississippi | 278,919 |
| State of North Carolina | 2,443 |
| State of New Jersey | 66,911 |
| State of New York | 1,751,584 |
| State of Ohio | 2,713,467 |
| City of Akron, OH | 8 |
| City of Canton, OH | 492 |
| City of Campbell, OH | 3,008 |
| City of Cincinnati, OH | 457 |
| City of Columbus, OH | 46,761 |
| City of Dayton, OH | 314,863 |
| City of Dublin, OH | 2,018 |
| City of Elyria, OH | 2,754 |
| City of Fairfield, OH | 160 |
| City of Hubbard, OH | 5,645 |
| City of Huron, OH | 5,269 |
| City of Kettering, OH | 141,716 |
| City of Lordstown, OH | 1,052 |
| City of Mansfield, OH | 102 |
| City of Moraine, OH | 130,552 |
| City of Springfield, OH | 800 |
| City of Toledo, OH | 690 |
| City of Trotwood, OH | 4,211 |
| City of Vandalia, OH | 54,991 |
| City of W Carrollton, OH | 275 |
| City of Warren, OH | 108,368 |
| City of Xenia, OH | 347 |
| City of Youngstown, OH | 23,843 |
| Ohio School District | 32,999 |
| State of Oklahoma | 79,830 |
| State of Oregon | 935 |
| State of Pennsylvania | 30,550 |

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SCHEDULE OF PAYROLL TAXES PAID
MONTH ENDED DECEMBER 31, 2005

| Payee | Payroll Taxes Paid |
|--------------------------|---------------------------|
| City of Philadelphia, PA | 109 |
| City of Towamencin, PA | 39 |
| State of South Carolina | 15,790 |
| State of Texas | 5 |
| State of Virginia | 1,700 |
| State of Wisconsin | 250,004 |
| Country of Switzerland | 5,684 |
| Total | <u>\$ 89,720,474</u> |

DELPHI CORPORATION, ET AL.
SCHEDULE OF OTHER TAXES COLLECTED, INCURRED AND PAID
MONTH ENDED DECEMBER 31, 2005

| Taxing Jurisdiction | Tax Type | Tax Due | Tax Paid |
|---|-------------------|----------------|-----------------|
| New Jersey Division of Taxation | Income | \$ 2,000 | \$ 2,000 |
| Pennsylvania Department of Revenue | Franchise | 1,900 | 1,900 |
| State of New Jersey | Income | 3,352 | 3,352 |
| State of Connecticut | Franchise | 546 | 546 |
| New Mexico Taxation and Revenue Department | Franchise | 50 | 50 |
| Kansas Corporate Estimated Tax | Income | 33,000 | 33,000 |
| Kentucky State Treasurer | Income | 48,000 | 48,000 |
| Minnesota Department of Revenue | Income | 140 | 140 |
| Utah State Tax Commission | Income | 100 | 100 |
| City of Portland, Oregon | Franchise | 125 | 125 |
| Oregon Department of Revenue | Income | 8,000 | 8,000 |
| New Jersey Division of Taxation | Income | 8,000 | 8,000 |
| Pennsylvania Department of Revenue | Income | 7,000 | 7,000 |
| Alabama Department of Revenue Corp. | Income | 3,000 | 3,000 |
| State of New Jersey | Income | 11,000 | 11,000 |
| Shanghai Municipal Nanhui Administration of State Taxation - The Eighth Branch | Income | 1,359,077 | 1,359,077 |
| Shanghai Municipal Nanhui Administration of State Taxation - The Second Branch | Stamp Duty | 19,089 | 19,089 |
| Alabama Department of Revenue | Consumer Use | 5,918 | 5,918 |
| Alabama Department of Revenue | Seller's Use | 17,526 | 17,526 |
| Board of Equalization, CA | Use | 13 | 13 |
| Bourbon County Sheriff, KY | Personal Property | 32 | 32 |
| Butler County Collector, MO | Personal Property | 2 | 2 |
| Butler County Sheriff, KY | Personal Property | 4 | 4 |
| Campbell County Treasurer, VA | Personal Property | 389 | 389 |
| City of Columbia, TN | Personal Property | 2,373 | 2,373 |
| City of Dry Ridge, KY | Personal Property | 1 | 1 |
| City of Jackson, TN | Personal Property | 1,111 | 1,111 |
| City of Lake City Tax Department, GA | Personal Property | 9 | 9 |
| City of Monroe, MO | Personal Property | 477 | 477 |
| City of North Kansas City, MO | Personal Property | 8,008 | 8,008 |
| City of Poplar Bluff, MO | Personal Property | 1 | 1 |
| City of Radford, VA | Personal Property | 354 | 354 |
| City of Roswell, GA | Personal Property | 6 | 6 |
| City of St. Louis Collector of Revenue, MO | Personal Property | 88 | 88 |
| City of Tuscaloosa, AL | Use | 387 | 387 |
| City of Williamstown, KY | Personal Property | 29 | 29 |
| Clay County Collector, MO | Personal Property | 96,119 | 96,119 |
| State of Colorado | Use | 617 | 617 |
| State of Colorado | Utility | 242 | 242 |
| Comptroller of Public Accounts, TX | Use | 34,063 | 34,063 |
| County of Tuscaloosa, AL | Use | 580 | 580 |
| Daviess County Sheriff, KY | Personal Property | 83 | 83 |
| Department of Revenue, IN | Use | 181,534 | 181,534 |
| Department of Taxation & Finance, NY | Use | 57,806 | 57,806 |
| Department of Taxation, OH | KWH | 70,457 | 70,457 |
| Department of Taxation, OH | Use | 596,410 | 596,410 |
| Department of Treasury, MI | Use | 351,242 | 351,242 |
| Etowah County, AL (Payee LGREC Inc., AL) | Use | 1,133 | 1,133 |
| Franklin County Collector, MO | Personal Property | 163 | 163 |
| Georgia Sales Tax Division, GA | Use | 1,436 | 1,436 |
| Grant County Sheriff, KY | Personal Property | 12 | 12 |
| Hardin County Sheriff, KY | Personal Property | 1,421 | 1,421 |

DELPHI CORPORATION, ET AL.
SCHEDULE OF OTHER TAXES COLLECTED, INCURRED AND PAID
MONTH ENDED DECEMBER 31, 2005

| Taxing Jurisdiction | Tax Type | Tax Due | Tax Paid |
|---|-------------------|----------------|-----------------|
| Henderson County Sheriff, KY | Personal Property | \$ 708 | \$ 708 |
| State of Illinois | Use | 96 | 96 |
| Jackson County Manager of Finance, MO | Personal Property | 203 | 203 |
| Jefferson County Sheriff, KY | Personal Property | 63 | 63 |
| Johnson County Collector, MO | Personal Property | 13,390 | 13,390 |
| Johnson County Treasurer, KS | Personal Property | 42,936 | 42,936 |
| Johnson County Treasurer, KS | Real Property | 14,793 | 14,793 |
| Kenton County Sheriff, KY | Personal Property | 87 | 87 |
| Knowsley Borough UK | Property | 31,483 | 31,483 |
| Limestone County& Gadsden City, AL (Payee ALATAX) | Use | 20,760 | 20,760 |
| Logan County Sheriff, KY | Personal Property | 963 | 963 |
| Madison County Clerk, KY | Personal Property | 22 | 22 |
| McDonald County Collector of Revenue, MO | Personal Property | 663 | 663 |
| Mississippi Tax Commission | Use | 44,040 | 44,040 |
| Monroe County Collector, MO | Personal Property | 3,318 | 3,318 |
| Nemaha County Treasurer, KS | Personal Property | 687 | 687 |
| New Jersey Sales Tax Division | Use | 3,674 | 3,674 |
| Office of the Fayette County, KY | Personal Property | 1 | 1 |
| Oklahoma County Treasurer, OK | Personal Property | 6 | 6 |
| Orange County Tax Collector, CA | Real Property | 45,060 | 45,060 |
| Pinal County Treasurer, AZ | Personal Property | 169 | 169 |
| Pottawatomie County Treasurer, OK | Personal Property | 4,152 | 4,152 |
| Prince Georges County Treasurer, MD | Personal Property | 1,116 | 1,116 |
| Rogers County Treasurer, OK | Personal Property | 27 | 27 |
| Rogers County Treasurer, OK | Property | 357,433 | 357,433 |
| Russell County Treasurer, SC | Personal Property | 555 | 555 |
| Screven County Tax Commissioner, GA | Personal Property | 139 | 139 |
| State of South Carolina | Use | 60 | 60 |
| Springfield City Clerk, TN | Personal Property | 23 | 23 |
| St. Charles County Collector, MO | Personal Property | 12,844 | 12,844 |
| St. Louis County Collector of Revenue, MO | Personal Property | 4,005 | 4,005 |
| Terrell County Tax Commissioner, GA | Personal Property | 133 | 133 |
| Unified Treasury Wyandotte County, KS | Personal Property | 68 | 68 |
| Warren County Tax Commissioner, GA | Personal Property | 71 | 71 |
| Washington County, KY | Personal Property | 15 | 15 |
| Wisconsin Dept. of Revenue, WI | Use | 15,346 | 15,346 |
| City of Troy, MI | Personal Property | 6,832 | 6,832 |
| Total | | \$ 3,560,366 | \$ 3,560,366 |

Note: Certain Debtors also pay transaction taxes such as value added tax ("VAT") to certain foreign countries based upon the purchase or supply of goods or services within the country and the importation of goods into the country from outside the country. For the purchase of goods or services in certain foreign countries, VAT may either be collected by the supplier from the Debtors or paid directly by the Debtors through self-assessment. For the supply of goods or services in certain foreign countries, the Debtors may collect VAT from the customers and remit the tax to the foreign governments. Upon importation in certain countries, VAT may be paid by the Debtors upon importation. In most cases, VAT is recoverable either as an input VAT credit or as a refund. The process of calculating VAT owed or refundable is a complex process of netting VAT paid, collected and remitted. To the best of the Company's knowledge, all VAT has been paid and is being paid when due. In addition, certain Debtors incur foreign withholding taxes on certain payments from various foreign non-debtor subsidiaries. These foreign withholding taxes generally apply to interest, royalties, dividends, and service payments received from certain foreign non-debtor subsidiaries. The foreign withholding taxes are required to be withheld by the foreign non-Debtor subsidiaries and paid over to the foreign tax authorities on behalf of the Debtors. To the best of the Company's knowledge, all foreign withholding taxes have been withheld by the foreign non-Debtor subsidiaries when required to be withheld and paid over to the appropriate foreign tax authorities when due. These foreign tax payments have not been included in the schedule above.

DELPHI CORPORATION, ET AL.
SCHEDULE OF DISBURSEMENTS
MONTH ENDED DECEMBER 31, 2005

| Debtor Name | Case Number | Amount ⁽⁴⁾ |
|---|--------------------|------------------------------|
| Delphi NY Holdings Corporation | 05-44480 | \$ - |
| Delphi Corporation | 05-44481 | - |
| ASEC Manufacturing General Partnership | 05-44482 | - |
| ASEC Sales General Partnership | 05-44484 | - |
| Environmental Catalysts, LLC | 05-44503 | - |
| Delphi Medical Systems Colorado Corporation | 05-44507 | 5,999,038 |
| Delphi Medical Systems Texas Corporation | 05-44511 | 269,575 |
| Delphi Medical Systems Corporation | 05-44529 | 1,002,935 |
| Specialty Electronics International Ltd. | 05-44536 | - |
| Specialty Electronics, Inc. | 05-44539 | 614,350 |
| Delphi Liquidation Holding Company | 05-44542 | - |
| Delphi Electronics (Holding) LLC | 05-44547 | - |
| Delphi Technologies, Inc. | 05-44554 | 15,314,798 |
| Delphi Automotive Systems Tennessee, Inc. | 05-44558 | - |
| Delphi Mechatronic Systems, Inc. | 05-44567 | 10,000,246 |
| Delphi Automotive Systems Risk Management Corporation | 05-44570 | - |
| Exhaust Systems Corporation | 05-44573 | 9,086,581 |
| Delphi China LLC | 05-44577 | - |
| Delphi Automotive Systems Korea, Inc. | 05-44580 | 240,468 |
| Delphi International Services, Inc. | 05-44583 | 1,994,978 |
| Delphi Automotive Systems Thailand, Inc. | 05-44586 | - |
| Delphi Automotive Systems International, Inc. | 05-44589 | - |
| Delphi International Holdings Corporation | 05-44591 | - |
| Delphi Automotive Systems Overseas Corporation | 05-44593 | - |
| Delphi Automotive Systems (Holding), Inc. | 05-44596 | 3,783 |
| Delco Electronics Overseas Corporation | 05-44610 | 11,315,062 |
| Delphi Diesel Systems Corporation | 05-44612 | 57,269,273 |
| Delphi LLC | 05-44615 | - |
| Aspire, Inc. | 05-44618 | 221,427 |
| Delphi Integrated Service Solutions, Inc. | 05-44623 | 478,715 |
| Delphi Connection Systems | 05-44624 | 5,950,121 |
| Packard Hughes Interconnect Company | 05-44626 | 249,572 |
| DREAL, Inc. | 05-44627 | - |
| Delphi Automotive Systems Services LLC | 05-44632 | 219,571,351 |
| Delphi Services Holding Corporation | 05-44633 | - |
| Delphi Automotive Systems Global (Holding), Inc. | 05-44636 | - |
| Delphi Foreign Sales Corporation | 05-44638 | - |
| Delphi Automotive Systems Human Resources LLC | 05-44639 | 116,550,846 |
| Delphi Automotive Systems LLC | 05-44640 | 1,510,961,272 |
| Delphi Furukawa Wiring Systems LLC | 05-47452 | 240,833 |
| Delphi Receivables LLC | 05-47459 | - |
| MobileAria, Inc. | 05-47474 | 1,959,299 |

(4) Operating expenses for the month ended December 31, 2005 were used as a proxy for disbursements. Operating expenses exclude non-cash goodwill and long-lived asset impairment charges.